

A R C ITEM 16  
FUEL COST PRICE ADJUSTMENT (SURCHARGE)

The following percentage Fuel-Related Cost Price Adjustment (Surcharge) will apply on linehaul transportation charges and transportation charges on shipments picked up & delivered into storage-in-transit, as described below:

1. On the first Monday of each calendar month, the “national U.S. average” price per gallon of diesel fuel will be determined based on the price stated by the U.S. Department of Energy (DOE), Energy Information Administration’s (EIA) survey of “Retail On-Highway Diesel Prices.” This price will be obtained by calling the DOE Fuel Hot Line at 202-586-6966 or via the DOE Internet web site at [www.eia.doe.gov](http://www.eia.doe.gov)
2. If the first Monday of the calendar month is a Federal holiday, the price will be determined based on the stated DOE price available on the next subsequent business day (Tuesday).
3. The DOE fuel price obtained will then be indexed based on the fuel price/adjustment factor matrix set forth in this item to determine the Fuel Cost Price Adjustment that will become applicable on the fifteenth (15<sup>th</sup>) day of the same month. The adjustment determined will apply for shipments loaded beginning on the 15<sup>th</sup> day of the month and remain in effect through the 14<sup>th</sup> day of the subsequent following month starting from the effective date of this item.

For example, if the reported price of self-service diesel fuel determined on Monday, June 5, 2000, is \$1.259 per gallon, a two (2.0%) percent Fuel Cost Price Adjustment will apply for shipments loaded as of June 15, 2000 through July 14, 2000. Then, if the reported price of diesel fuel of Monday, July 3, 2000 increases to \$1.379 per gallon, a three (3.0%) percent Fuel Cost Price Adjustment will apply for shipments loaded as of July 15, 2000 through August 14, 2000.

4. To determine the Fuel Cost Adjustment amount to apply, multiply the applicable linehaul transportation charges as determined in accordance with Sections 3, 4, 5, 5, and 7, and the applicable pickup and delivery transportation charges on Storage-In-Transit shipments as determined in accordance with Items 210 and 410 of this tender, by the percentage Fuel Cost Adjustment Factor. The resulting charge is in addition to all other applicable transportation charges.

For example, if the applicable linehaul transportation charge is \$5,300., a two (2.0%) percent Fuel Cost Adjustment Factor would be \$106.00.

<b>When the DOE Fuel Price Per Gallon reported on the first Monday of the month is:</b>	<b>The Fuel Cost Adjustment Factor that becomes effective on the 15<sup>th</sup> day of the same month is:</b>
Less than \$1.137	0%
From \$1.137 to \$1.235	1.0%
From \$1.236 to \$1.334	2.0%
From \$1.335 to \$1.434	3.0%
From \$1.435 to \$1.533	4.0%
From \$1.534 to \$1.632	5.0%
From \$1.633 to \$1.732	6.0%
From \$1.733 to \$1.831	7.0%
From \$1.832 to \$1.930	8.0%
From \$1.931 to \$2.29	9.0%
Over \$2.029	10.0%

Note 1: Notwithstanding any other provisions of the tender, the Fuel Cost Adjustment Factor WILL APPLY to transportation charges applicable on storage-in-transit shipments when such shipments are delivered to or removed from the storage-in-transit location during the period that the Fuel Cost Adjustment Factor is in effect.

Note2: The Fuel Cost Adjustment Factor WILL BE SHOWN SEPARATELY from the linehaul revenue on carrier transportation documents for the purpose of identifying the amount as special fuel-related revenue.

Note 3: Fractions obtained in the calculation of the Fuel Cost Adjustment Factor will be disposed of as provided in Item 21 of this tariff.